

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA :
 : CRIMINAL NO.
 v. :
 : VIO: 18 U.S.C. § 1956(h)
 :
 R.S. DUFFY, INC. :
 NATIONAL A-1 ADVERTISING, INC. :

INFORMATION

THE UNITED STATES ATTORNEY ALLEGES:

Introduction

1. The defendants R.S. DUFFY, INC. and NATIONAL A-1 ADVERTISING, INC. were Delaware corporations with business operations located at 106 South 7th Street, Philadelphia, Pennsylvania.

2. R.S. DUFFY, INC. operated and NATIONAL A-1 ADVERTISING, INC. facilitated the operation of an Internet enterprise called Escorts.com which facilitated interstate prostitution activities.

3. As a result of the operation of Escorts.com, the defendants received the proceeds of specified unlawful activities, as defined in 18 U.S.C. § 1956(c)(7), including violations of Title 18, United States Code, Section 1952 (interstate travel/transportation in aid of racketeering enterprises-prostitution) and Sections 2421 and 2 (aiding and abetting interstate transportation of persons for prostitution/sexual activity), hereinafter referred to as "the

specified unlawful activities."

4. The defendants developed and operated an Internet web site, using the domain name Escorts.com, and created an on-line network for prostitutes, escort services, and others to advertise their illegal activities to consumers and users of those services.

5. The defendants received subscription fees and payments in the form of money orders, checks, and credit cards from escorts and users of Escorts.com throughout the nation.

6. To conduct their operations, the defendants maintained a number of accounts at various financial institutions, investment funds, and financial services providers affecting interstate and foreign commerce.

7. The defendants used these accounts to engage in financial transactions involving the proceeds of the specified unlawful activities.

THE UNITED STATES ATTORNEY CHARGES:

COUNT ONE
Conspiracy to
Commit Money Laundering
18 U.S.C. § 1956(h)

1. The Grand Jury incorporates herein by reference the Introduction of this indictment.

2. From in or around January 2007 and continuing through

the date of this indictment, in Lycoming and Centre Counties, within the Middle District of Pennsylvania, and elsewhere, the defendants

**R.S. DUFFY, INC.
NATIONAL A-1 ADVERTISING, INC.**

did knowingly combine, conspire, confederate, and agree with each other and with other persons, known and unknown to the Grand Jury, to commit the following money laundering offenses: to knowingly engage and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 and derived from the specified unlawful activity, in violation of Title 18, United States Code, 1957.

Manner and Means of the Conspiracy

3. In furtherance of the conspiracy, the conspirators employed the following manner and means:

3.1 The defendants operated and participated in the operation of an Internet enterprise called Escorts.com which facilitated interstate prostitution activities.

3.2 In connection with the operation of Escorts.com, the defendants created and maintained a network of Internet customer service accounts which facilitated and caused the transfer and movement of the proceeds of the specified unlawful activities from locations throughout the United States, including the Middle District of Pennsylvania, to the defendants' business operations

at 106 South 7th Street in Philadelphia.

3.3 In connection with the operation of Escorts.com, the defendants created and maintained a network of Internet customer service accounts which facilitated and caused the transfer and movement of the proceeds of the specified unlawful activities from locations throughout the United States, including the Middle District of Pennsylvania, to the defendants' accounts at financial institutions, investment funds, and financial services providers.

3.4 Utilizing the network of customer service accounts, the defendants received the proceeds of the specified unlawful activities in the form of money orders, checks, credit card credits, and wire transfers from individuals throughout the United States, including the Middle District of Pennsylvania.

3.5 To facilitate the specified unlawful activities the defendants transferred, withdrew, and deposited the proceeds of the specified unlawful activities to at least 12 accounts controlled by the defendants.

All in violation of Title 18, United States Code, Section 1956(h).

THE UNITED STATES ATTORNEY FURTHER ALLEGES:

FORFEITURE ALLEGATION

Criminal Forfeiture

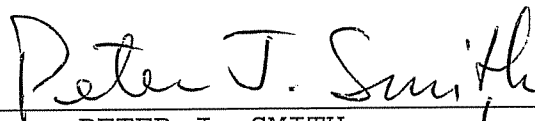
(18 U.S.C. § 982)

1. The allegations of the Introduction and Count One of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 982(a)(1).

2. Pursuant to Title 18, United States Code, Section 982(a)(1), upon conviction of an offense in violation of Title 18, United States Code, Section 1956(h), the defendants, **R.S. DUFFY, INC.** and **NATIONAL A-1 ADVERTISING, INC.**, shall forfeit to the United States of America the following property, involved in said offense, used or intended to be used to facilitate the commission of said offense, traceable to the commission of said offense, or derived from gross proceeds traceable to the commission of said offense:

2.1 The sum of \$4.9 million in cash;

2.2 Internet Domain Name: Escorts.com



PETER J. SMITH

United States Attorney

Date: 10-30-2011